

## Message Text

LIMITED OFFICIAL USE

PAGE 01 WARSAW 00414 220910Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 EB-07 CIEP-01 TRSE-00 STR-04 OMB-01 CEA-01

COME-00 FRB-03 XMB-02 OPIC-03 LAB-04 SIL-01 /091 W

----- 094252

R 220820Z JAN 76

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 9447

INFO AMEMBASSY MOSCOW

AMCONSUL MUNICH

AMCONSUL KRAKOW

AMCONSUL POZNAN

LIMITED OFFICIAL USE WARSAW 0414

E.O. 11652: N/A

TAGS: PINT, EGEN, PL

SUBJECT: TADEUSZ PYKA TO HEAD NEW DOMESTIC MARKET COUNCIL

REF WARSAW 7044, 10/24/75

1. PRIME MINISTER JAROSZEWICZ HAS CALLED INTO BEING A DOMESTIC MARKET COUNCIL TO BE CHAIRED BY VICE PREMIER TADEUSZ PYKA, ACCORDING TO A PRESS ANNOUNCEMENT ON JANUARY 20. ITS MEMBERS WILL INCLUDE MINISTER OF DOMESTIC TRADE AND SERVICES JERZY GAWRYSIAK, AS WELL AS MINISTERS OR VICE MINISTERS OF DEPARTMENTS. REPRESENTATIVES OF OTHER DEPARTMENTS, CENTRAL OFFICES, COOPERATIVES, THE ACADEMIC WORLD, AND "DISTINGUISHED" EXPERTS MAY ALSO BE INVITED TO PARTICIPATE IN THE COUNCIL'S WORK.

2. THE COUNCIL'S STATED PURPOSE IS TO ESTABLISH BETTER CONDITIONS FOR INFLUENCING THE SUPPLY OF THE MARKET AND THE EQUILIBRIUM BETWEEN MONEY AND GOODS. THE COUNCIL

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 WARSAW 00414 220910Z

WILL STUDY AND ADVISE THE GOVERNMENT ON QUESTIONS IN-

VOLVING INCOME AND EXPENDITURE BALANCES, QUANTITY AND QUALITY OF PLANNED CONSUMER-GOODS SUPPLIES, AND THE CURRENT NEEDS OF DOMESTIC TRADE.

3. PRESS ACCOUNTS SUGGEST AN IMPORTANT SUPERVISORY ROLE FOR THE NEW COUNCIL AS WELL. IT WILL ANALYZE THE DEGREE TO WHICH PRODUCERS SUCCEED IN SUPPLYING THE MARKET. IT WILL MONITOR EFFORTS TO MODERNIZE PRODUCTIVE AND MANUFACTURING CAPACITY AND WILL SEEK TO IMPROVE ECONOMIC COOPERATIVE MECHANISMS AMONG INDUSTRIAL AND COMMERCIAL ORGANIZATIONS.

4. THE COUNCIL WILL HAVE A SPECIAL RELATIONSHIP WITH THE MINISTRY OF DOMESTIC TRADE. IT WILL STUDY AND ASSESS LEVELS OF INVESTMENT, EMPLOYMENT, AND THE WAGE FUND AS ALLOCATED TO THE MINISTRY AND WILL ALSO EXAMINE THE ARRANGEMENT OF BUSINESS ESTABLISHMENTS NECESSARY TO MODERNIZE COMMERCIAL SERVICES. IT WILL FURTHER EVALUATE THE MINISTRY'S EFFECTIVENESS IN UTILIZING THESE VARIOUS RESOURCES.

5. COMMENT: ESTABLISHMENT OF THE COUNCIL AGAIN POINTS UP THE GREAT AND INCREASING IMPORTANCE ATTACHED TO CONTINUED IMPROVEMENT OF THE DOMESTIC MARKET SITUATION. IT FIXES TOP-LEVEL SUPERVISORY AND COORDINATING RESPONSIBILITY IN ONE MAN--TADEUSZ PYKA. DEPENDING ON THE FORCEFULNESS OF HIS LEADERSHIP, IT MAY ULTIMATELY LEAD TO CONSOLIDATION OF THE WHOLE DOMESTIC-TRADE APPARATUS.

6. SINCE PRICING IS AN ESSENTIAL PART OF THE MARKET-EQUILIBRIUM EQUATION, IT IS PROBABLE THAT PYKA AND HIS COUNCIL WILL PLAY A KEY ROLE IN FORMULATING THE REGIME'S APPROACH TO THE LONG-AWAITED PRICE INCREASES.

7. PYKA WAS ELEVATED TO THE RANK OF VICE PREMIER LAST OCTOBER 23, BUT HIS SPECIFIC DUTIES IN THAT POST WERE NEVER PUBLICLY DEFINED; HE HAS REPORTEDLY BEEN EXERCISING BROAD AUTHORITY IN ECONOMIC MATTERS, BUT WITHOUT A SPECIFIC PORTFOLIO. HE HAD BEEN A DEPUTY CHAIRMAN OF THE PLANNING COMMISSION, AND LAST OCTOBER'S PRESS ANNOUNCEMENT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 WARSAW 00414 220910Z

DID NOT INDICATE THAT HE WOULD RELINQUISH THIS POST; THAT OF JANUARY 20 IS EQUALLY SILENT ON THIS POINT. AT 45, PYKA IS HIGHLY REGARDED AS A SKILLED AND TOUGH-MINDED ECONOMIST, PERHAPS MORE A THEORETICIAN THAN AN EXECUTIVE. HE IS A GIEREK MAN AND SERVED 14 YEARS IN THE KATOWICE PARTY LEADERSHIP. AS CHAIRMAN OF THE NEW COUNCIL, HE WILL HAVE KEY RESPONSIBILITY IN ONE OF THE MOST CRITICAL AREAS OF THE GIEREK PROGRAM.

8. ON E OF THE MORE INTRIGUING ASPECTS OF PYKA'S LATEST ASSIGNMENT IS WHETHER HE HAS BEEN GIVEN ADDITIONAL AUTHORITY SO AS TO BALANCE THAT OF PLANNING COMMISSION CHAIRMAN (AND VICE PREMIER) WRZASZCZYK, WHO ACCORDING TO INFORMED GOSSIP, IS JAROSZEWICZ'S MAN.

WHILE WRZASZCZYK'S PRIMARY ASSIGNMENT REMAINS THAT OF GETTING POLAND FIRMLY INTO THE RANKS OF THE HIGHLY INDUSTRIALIZED POWERS, THAT OF PYKA MIGHT BE TO ENSURE THAT ALL APPROPRIATE MEASURES WILL BE TAKEN TO MAINTAIN PUBLIC TRANQUILITY IN THE FORM OF A CONTENTED WORK FORCE. HAVING CREATED A SPECIFIC ECONOMIC INSTRUMENT TO WORRY ABOUT MARKET SUPPLIES, THE LEADERSHIP NO DOUBT HOPES THAT IT WILL BE ABLE TO STEP BACK A LITTLE FROM DAILY INVOLVEMENT IN THE BATTLE OF THE MEAT COUNTER, AND GAIN THE NECESSARY DISTANCE TO ENABLE IT TO SHAPE THE KINDS OF DECISIONS WHICH WOULD PRECLUDE A REPETITION OF THE DECEMBER, 1970, EVENTS.

9. PYKA'S IS A MOST DIFFICULT AND POLITICALLY DELICATE ASSIGNMENT. ALTHOUGH THE EXTENT OF HIS AUTHORITY TO ACT IS NOT SO CLEARLY DRAWN AS IS HIS RESPONSIBILITY FOR ADVISING THE GOVERNMENT, HE IS LIKELY TO BE HELD ACCOUNTABLE BY THE PUBLIC, AND PERHAPS WITHIN THE GOVERNMENT AS WELL, FOR ANY CONTINUING SHORTAGE OF MARKET SUPPLIES. HE MAY ALSO BEAR THE ONUS FOR PRICE INCREASES INTRODUCED DURING HIS TENURE.

DAVIES

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PERSONNEL MOVEMENTS, MINISTER COUNSELORS, CENTRAL GOVERNMENT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 JAN 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976WARSAW00414  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760025-0162  
**From:** WARSAW  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760130/aaaabafh.tel  
**Line Count:** 143  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 WARSAW 7044  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 26 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <26 APR 2004 by izenbei0>; APPROVED <13 MAY 2004 by morefirh>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TADEUSZ PYKA TO HEAD NEW DOMESTIC MARKET COUNCIL  
**TAGS:** PINT, EGEN, PL, (PYKA, TADEUSZ)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006